



## SEWARD COMMUNITY HEALTH CENTER

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May 22, 2017

Chairman Ajit Pai  
Commissioner Mignon Clyburn  
Commissioner Michael O'Rielly  
Federal Communications Commission  
445 12th Street, SW  
Washington, DC 20554

Re: Rural Health Care Support Mechanism, WC Docket No 02-60  
Actions to Accelerate Broadband-Enabled Health Care Solutions, GN Docket No 16-46

Dear Chairman Pai and FCC Commissioners:

Thank you for your support of the Rural Health Care Program (RHC). As you recognized in a recent Senate Commerce Committee FCC Oversight hearing, broadband telemedicine is a critical component of addressing the health care needs of rural America. The Alaska Primary Care Association supports the programs of Alaska's 27 Federally Qualified Health Centers (FQHCs) who provide services from 169 sites to over 112,000 Alaskans. Over 80% of the patients that Alaska Health Centers serve resident in rural communities. 24 of the 27 Alaska Health Centers encompassing 146 sites have 2016 RHC grants awarded at \$82,670,000 or 94 percent of the total \$87,500,980 requested. They face current year proration and retroactive bills of up to \$4,831,000.

We urge the FCC to consider the following steps to continue full funding now and to modernize the program in the future. They include:

- 2016 funding – allocate additional funds to support full grant awards for the current fiscal year. Of the 146 Health Centers facing 2016 proration, the average amount is over \$33,000. This is a prohibitively large amount of money for mostly small practices to be expected to absorb when announced ten months into an award year.
- 2017 funding – allocate additional funds to support full grant awards. We are concerned that 2017 proration of ten percent or more would force rural health practices to lay off staff, limit lines of service, and decrease access to care in order to afford their current level of connectivity
- RHC Modernization – undertake a modernization program that could include components of the E-rate program that include inflation-proofing and authorization to allocate carry-over funds to future years
- RHC Reform – consider changes to the program that could designate some funds for "frontier" communities for whom access to dedicated internet service is extremely expensive and difficult



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Modern medical and behavioral health services in rural Alaska are built on dedicated high speed internet services of at least 10mb download/3mb upload. They provide the backbone for our electronic health records, telehealth visits with providers in distant communities, and consultations with specialists for a variety of imaging services. Ongoing quality improvement and cost saving initiatives rely on access to high speed internet (add examples)

However, the current \$400 million Rural Health Care Universal Service Support budget remains at the initial level set in 1997, despite inflation, advances in technology, and increased demand for services. The Universal Service Administrative Co. also recently announced that it exceeded the funding cap for the current 2016 fiscal year ending June 30, 2017. Applicants that filed during the Sept. 1 – Nov. 30, 2016 filing window will receive a pro-rated percentage, 92.5 percent, of the qualifying funding requested. In our case, that means Alaska Health Centers will be responsible for paying up to we will be responsible for paying an additional \$4,831,000 for which we did not budget or anticipate, in addition to the portion of the cost of services that we are already responsible for paying under the rules of the rural health care support mechanism.

We ask that you take steps to ensure both the near and long-term viability of the Rural Health Care Program to meet the increased demand for telemedicine services both in Alaska and across the country. We believe that the FCC should increase the budget for the rural health care support mechanisms to reflect inflation over the past two decades, as well as increased technology and telecommunications demands due to our HIPAA legal obligations, advances in telemedicine capabilities, changes in patient expectations and standards of care, and new demands from skilled nursing facilities.

In addition, please consider implementing an inflation adjustment mechanism for the future, and short-term measures to restore qualifying funding requests filed Sept. 1 – Nov. 30, 2016 to 100 percent.

Thank you for your support of this important program.

Sincerely,

Craig Ambrosiani  
Executive Director

CC:

The Honorable Senator Murkowski  
The Honorable Senator Sullivan  
The Honorable Congressman Young